

Message Text

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PAGE 01 MELBOU 00521 310017Z

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TAGS: ELAB, AS

SUBJ: AUSTRALIAN FEDERAL ARBITRATION COMMISSION -
COMMISSION REINTRODUCES WAGE INDEXATION.

SUMMARY.

1. FULL BENCH OF AUSTRALIAN ARBITRATION AND CONCILIATION
COMMISSION APRIL THIRTIETH, RENDERED DECISION ON NATIONAL
WAGE CASE, WHICH REINTRODUCED PERIODIC REVIEW OF WAGES.
IN ADDITION TO REVIEW PROCEDURE, REFERRED TO LOCALLY AS
"WAGE INDEXATION", COMMISSION RAISED MINIMUM WAGE BY A\$4.

2. NEW POLICY ANNOUNCED BY COMMISSION, REINTRODUCED WAGE
INDEXATION AFTER LAPSE OF TWENTY-SIX YEARS. COMMISSION
WAS MOTIVATED BY FACT THAT WAGE DEMANDS THROUGHOUT 1974,
IN RESPONSE TO INFLATION, MADE UNIONS SEEK INCREASES IN
EXCESS OF ACTUAL NEED, IN ORDER TO MEET ANTICIPATED RISE IN
PRICES. AS RESULT, WAGE INCREASES HAVE FAR OUTSTRIPPED
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PAGE 02 MELBOU 00521 310017Z

ACTUAL RISES IN COST OF LIVING. IN DECISION, CHIEF JUDGE

JOHN MOORE SAID TRIBUNAL SOUGHT TO END THIS PRACTICE, BY GIVING WORKERS INSURANCE THAT ANY IMBALANCE BETWEEN WAGES AND PRICES COULD BE QUICKLY ADJUSTED BY QUARTERLY REVIEW.

3. IMMEDIATELY AFFECTED BY DECISION IS AUSTRALIAN BASIC METALS FABRICATION INDUSTRY, WHICH HAS CASE PENDING BEFORE COMMISSION, AND WHICH JUDGE MOORE HIMSELF WILL HEAR, STARTING MAY TWELFTH. METAL INDUSTRY'S EMPLOYERS HAVE ALREADY REACTED FAVOURABLY TO WAGE INDEXATION DECISION, AS THEY FEEL IT ABATES MAJOR PORTION OF UNIONS' LOG OF CLAIMS. NOT UNEXPECTEDLY, AUSTRALIAN METAL WORKERS' UNION, ALSO QUICKLY REACTING, HAVE ANNOUNCED STIFF OPPOSITION TO DECISION ON GROUNDS THAT IT NEGATES ANY POSSIBILITY OF DIRECT NEGOTIATION BETWEEN PARTIES PRIMARILY CONCERNED, AND EFFECTIVELY DESTROYS THE CONCILIATION PROCESS.

4. ON THE OTHER HAND, ROBERT JOLLY, ADVOCATE FOR AUSTRALIAN COUNCIL OF TRADE UNIONS (ACTU), WHO LED UNION CASE BEFORE COMMISSION, HAS CHARACTERISED DECISION AS "AN HISTORIC STEP", AND A LANDMARK IN INDUSTRIAL RELATIONS. AT THE SAME TIME, GEORGE POLITES, WHO HEADS NATIONAL EMPLOYERS' COUNCIL, IS VERY CRITICAL OF RULING.

COMMENT:

5. LABATT OBSERVES THAT JUDGE MOORE AND HIS COLLEAGUES, HAS MADE DECISION WHICH WILL DO MUCH TO SATISFY RANK AND FILE OF BOTH UNIONS AND EMPLOYER GROUPS, NO MATTER WHAT PUBLIC DIFFERENCES THE LEADERSHIP IN BOTH GROUPS MAY EXPRESS. SO FAR, LOST IN COMMENTS OF REACTION, HAS BEEN ANY REFERENCE TO \$4 INCREASE IN BASIC WAGE, WHICH WAS NEWS OF GREAT IMPORTANCE TO AVERAGE AUSTRALIAN. ALSO MISSING FROM EARLY COMMENT, IS REACTION FROM AUSTRALIAN GOVT, WHICH WAS PARTICIPATING IN ARBITRATION HEARING, WITH INDEXATION SCHEME OF ITS OWN. SINCE COMMISSION REJECTED GOVT SCHEME, LABATT LOOKS FORWARD TO STATEMENT BY MINISTER OF LABOR, WITH AMUSED ANTICIPATION.
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